



News Release

September 26, 2024

Company name: Mitsubishi Pencil Company, Limited
Representative: Shigehiko Suhara
Representative Director, President
(Securities Code: 7976; Prime of TSE)
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Notice Concerning Establishment of Joint Venture (Consolidated Subsidiary) in India

Mitsubishi Pencil Company, Limited (hereinafter the “Company”) hereby announces that a decision was made at its Board of Directors meeting held on September 26, 2024, to establish a joint venture company, through a joint investment with LINC LIMITED, as follows.

Although this matter does not fall under the category of timely disclosure standards, the Company has decided to disclose the details as a voluntary disclosure as it deems the information to be valuable.

1. Reasons for the establishment of the joint venture

As one of the main policies of the Medium-term Business Plan 2022-2024, the Company aims to expand the writing instruments business internationally, and it has strengthened such activities with a focus on the European and North American markets. In order to further advance internationally with the aim of achieving the long-term “Vision 2036,” the Company wishes to establish a joint venture company in the Indian market, which has future economic growth potential, with the aim of constructing a product supply system based on local-area production. Through such efforts, the Company plans to cultivate new markets and achieve increased share and strengthen brand recognition in the Indian market. Leveraging the new company as a base for the procurement of raw materials, the Company will strengthen the functioning of the supply chain. The Company plans to make the joint venture company a consolidated subsidiary.

2. Overview of the joint venture

(1) Name	unilinc Private Limited (Planned)
(2) Location	Gujarat, India
(3) Business	Manufacture and sale of writing implements
(4) Share capital	INR 200 million (Approx. JPY 346 million)
(5) Date of establishment	January 2025 (Planned)
(6) Fiscal year-end	March
(7) Net assets	INR 200 million (Approx. JPY 346 million)
(8) Total assets	INR 200 million (Approx. JPY 346 million)
(9) Investment ratio	Mitsubishi Pencil Company, Limited: 51% LINC LIMITED: 49%

Note: In places where the Japanese yen is stated alongside the Indian rupee, the exchange rate of INR 1 = JPY 1.73 was applied.

3. Overview of the counterparty to the joint venture agreement

(1) Name	LINC LIMITED	
(2) Location	Aurora Waterfront, 18th Floor, GN 34/1, GN Block, Sector V, Bidhannagar, Kolkata, West Bengal 700091	
(3) Title and name of representative	Managing Director and CEO, Deepak Jalan	
(4) Business	Manufacture and sale of writing implements	
(5) Share capital	INR 148 million (Approx. JPY 256 million)	
(6) Date of establishment	1976	
(7) Net assets	INR 2,028 million (Approx. JPY 3,508 million)	
(8) Total assets	INR 2,964 million (Approx. JPY 5,127 million)	
(9) Relationship between the Company and said company	Capital relationship	The Company holds 13.4% of shares in the company in question
	Personnel relationship	None
	Business relationship	The said company sells the Company's products.
	Applicability to related parties	None

Note: In places where the Japanese yen is stated alongside the Indian rupee, the exchange rate of INR 1 = JPY 1.73 was applied.

4. Schedule

(1) Date of resolution of the Board of Directors	September 26, 2024
(2) Date of conclusion of the joint venture agreement	September 26, 2024
(3) Date of establishment of the joint venture	January 2025 (Planned)
(4) Commencement date of business operation	July 2025 (Planned)

5. Future outlook

The effect of this joint venture on the consolidated operating results of the Company is expected to be immaterial. However, the joint venture is expected to contribute to improving the Company's operating results and corporate value over the medium to long term. If any matters requiring disclosure arise in the future, the Company will promptly announce them.

MITSUBISHI PENCIL COMPANY, LIMITED